

PROFESSIONAL Realty Team

June 5, 2013

State Representative Michael Callton
House Financial Services Committee Chair
Anderson House Office Building
Lansing, Mi

Dear Chairman:

I am testifying on behalf of Professional Realty Team LLC, a licensed real estate brokerage here in the State of Michigan. I am a member of the Oakland County Real Estate Brokers Association, a chapter of NAREB and the National Association of Realtors. OCREBA and NAREB represents a broad based group of brokers, agents, mortgage brokers, title companies, appraisers, developers and affiliates throughout the country. OCREBA is the local chapter serving the Tri-County (Oakland, Wayne and Macomb) area. I have a unique perspective as I am also a certified Foreclosure Prevention Counselor with NID Housing Counseling Agency.

After review of the HB4764 – HB4767 and corresponding Senate Bills 380 – 383; our office has decided to oppose the tie-barred package of bills.

I oppose these bills because the reduction in the 6 month redemption period reduces the owner from being able to effectively negotiate debt forgiveness that would occur in a successful short sale. We currently complete approximately 50% of the short sales that we begin where we qualify the owner's hardship. The average time to complete a successful short sale is 4-8 months. Reducing the redemption period will mean that thousands of home owners will not have the opportunity to complete a short sale. The short sale is one of the most effective tools for a homeowner to address a hardship.

Secondly, we have seen little evidence of owners actually vandalizing properties, the vandalism occurs mostly by vandals after the home has been vacated. There is an epidemic of vandalism, but it is not created by homeowners, it is created by vandals that are taking advantage of vacant properties listed for sale or waiting to get on the market.

Lastly, the lenders have an effective tool to regain control of abandoned properties by filling an Affidavit of Abandonment with the courts. I believe that the AOA is an adequate process for lenders to regain control of abandoned properties.



Gerald Dixon

Broker

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